



# NORTH CAROLINA GENERAL ASSEMBLY

Session 2019

## Fiscal Analysis Memorandum

**CONFIDENTIAL**

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**Requestor:** Representatives Howard, Setzer, and Szoka  
**Analyst(s):** Jonathan Tart  
**RE:** PCS to House Bill 399

### SUMMARY TABLE

#### FISCAL IMPACT OF H.B. 399, V.PCS (\$ in millions)

	<u>FY 2019-20</u>	<u>FY 2020-21</u>	<u>FY 2021-22</u>	<u>FY 2022-23</u>	<u>FY 2023-24</u>
General Fund Revenue	-	-	-	-	-
Less Expenditures	-	-	-	-	-
<b>General Fund Impact</b>	<b>No Estimate Available - Refer to Fiscal Analysis section</b>				

### FISCAL IMPACT SUMMARY

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The PCS to House Bill 399 extends the sunset of the Historic Rehabilitation Tax Credit from January 1, 2020 until January 1, 2024. It also expands the credit as follows:

- Increases the amount of expenses eligible for a credit
- Increases the amount of expenses that can qualify for bonus credit
- Adds an additional bonus credit provision for projects located in a disaster area that meet certain conditions.

### FISCAL ANALYSIS

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The provision to extend the sunset was included in the House budget (H966). It was estimated to reduce revenue collections by \$4.5 million, based on tax return data showing the reduction in tax collections resulting from the credit. In addition to extending the sunset date, the PCS to HB 399 includes provisions that expand the credit. The fiscal impact of the expansion is unknown, and will depend on several factors including the number of qualifying projects and the amount of qualifying expenses associated with each project.

### TECHNICAL CONSIDERATIONS

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N/A.

### DATA SOURCES

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## **FISCAL ANALYSIS MEMORANDUM – PURPOSE AND LIMITATIONS**

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This document is a fiscal analysis of a bill, draft bill, amendment, committee substitute, or conference committee report that is confidential under Chapter 120 of the General Statutes. The estimates in this analysis are based on the data, assumptions, and methodology described in the Fiscal Analysis section of this document. This document only addresses sections of the bill that have projected direct fiscal impacts on State or local governments and does not address sections that have no projected fiscal impacts. This document is not an official fiscal note. If a formal fiscal note is requested, please email your request to the Fiscal Research Division at [FiscalNoteRequests@ncleg.net](mailto:FiscalNoteRequests@ncleg.net) or call (919) 733-4910.

